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### Drive 4 Less

Drive 4 Less is a program available for **new and used** vehicle purchases of up to 5 model years old. Like a lease, you can choose terms from 24 to 72 months. When your term is over, you can sell the vehicle to pay off the balance, use the vehicle as a trade-in and pay the remaining balance as a part of the transaction, keep the vehicle and refinance the remaining balance, or return the vehicle and walk away.

Unlike a lease there is:

- No down payment required
- No first and last month payment required
- You select a 12,000, 15,000, or 18,000 miles a year option
- No early payoff penalty--since you own the vehicle, you can pay it off at any time

Drive 4 Less is designed to have no "back end surprises"--you will not be exposed to any hidden expenses during the term or at the loan's end.

For more details, call Jennifer at 218-336-1820 or Carolyn at (218) 336-1809.

## 2019 Calendar Photo Contest

MPECU will be giving away \$250, \$175, \$150, and \$100 to the top selected photos!

How to Submit:

- Must be an MPECU member
- Photos must be unaltered, no Instagram filters, digital, horizontal, and high quality
- Each member can submit up to three photos
- Have a title for each photo you submit
- Email your photos to Annie at [alepper@mpecu.com](mailto:alepper@mpecu.com)

Photos must be submitted no later than October 15, 2018. Winners will be notified via email by October 25th.

**2019 Calendars:** As with past years, calendars will be available at all MPECU locations by the end of November. ***If you need a calendar mailed to you, please email your name, address, and quantity to [creditunion@mpecu.com](mailto:creditunion@mpecu.com).***

**Columbus Day**



### Unlock Your Equity for Less!

Whether you're looking for a fixed equity or a line of credit to draw on, we have what you need for putting your home's equity to work for you!

Pay for renovations, tuition, consolidate bills, or have a line of credit as things come up!

From September 1st until December 1st, you can get 0.25% APR\* off a new MPECU home equity loan!

Call Peter at (218) 336-1810 or Jennifer at (218) 336-1820 for more details!

\*APR=Annual Percentage Rate. Discounted rate offer is available September 1, 2018 until December 1, 2018. In order to qualify for rate discount, a member must have the following: a membership savings account, a checking account with MPECU debit card, and automatic payments to the Home Equity loan. Home Equity loans can be either a fixed or variable rate, ask MPECU for details. Property insurance is required with a Home Equity loan. Equal Housing Opportunity.

## Buying vs. Leasing Your Equipment

### The benefits of buying and leasing business equipment

Whether you're starting up an accounting firm, a family-owned restaurant or a farm, you're going to need equipment to get your business up and running. This will be one of the more significant financial decisions in a process filled with major money moves, and you will want to take the time necessary to consider whether buying or leasing better suits your needs.

#### The benefits of leasing

One of the more important factors fueling your decision to buy or to lease is the frequency with which your equipment will need to be updated. While farming and landscaping machinery may remain otherwise unchanged for long periods of time, computer equipment and other tech-based tools are prone to becoming obsolete within a matter of years. Peter Alexander, writing for Entrepreneur, notes that short-term leases on computers, printers and other assorted office tech passes the burden of obsolescence onto the company from whom you lease the equipment.



If your business is still early on in its life, extra capital might prove hard to come by. Jared Hecht, CEO and co-founder of Fundera, points out that leasing equipment does not typically require a large down payment, which can save you the trouble of scrounging up a large sum of money when funds are tight. Leasing also tends to carry a lower monthly rate than a business loan or line of credit, though you'll wind up paying more in the long run than you would if you are able to purchase a piece of equipment outright.

Leasing is also financially beneficial because you won't be on the hook for maintenance. If your equipment runs into a problem, the burden of fixing it is on the leasing company. Intuit Quickbooks notes that this might prove problematic as the leasing company will maintain equipment to its own specifications and may not address your issues in the timeliest fashion.

Quickbooks adds tax-friendliness to the advantages of leasing your equipment, writing that leasing is usually 100 percent tax-deductible as an operational expense under the 179 IRS Tax Code.

#### The benefits of buying

As with any purchase, equity is arguably the biggest advantage of buying business equipment. If the equipment in question is a lynchpin of your business and is something from which you expect to get several years of use, purchasing is the wiser of the two options. If you should determine down the line that you need a more updated version of that equipment, you can sell the equipment you own to recover some of its original cost and put that toward your next purchase.

Because you own it, you are also able to alter or improve the equipment as you see fit. While you will be financially responsible for any maintenance costs you incur, you will not be bound by a leasing company's standards for maintenance, which Alexander notes are often more expensive than you might prefer. Because the equipment is yours, you can also prioritize its repair to get it up and operational more quickly.

If you can afford to purchase equipment outright, you won't be required to submit paperwork detailing your business's finances or how you intend to use it to the owner. So long as you have the means to pay for it, it is yours. Paying for your equipment without financing is also preferential if you look at long-term costs — leasing and financing will involve compounding interest payments, which means

you'll pay more than the original sticker price.

Like leasing, purchased equipment is typically 100 percent tax-deductible under the 179 IRS Tax Code. Quickbooks notes that equipment that doesn't qualify under Section 179 may be accounted for using a depreciation deduction.

As with so many business decisions, the choice between buying and leasing comes down to your individual needs. Speak with your financial advisor before making any significant decisions, particularly if you are still early in the start-up process.

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**Minnesota Power Employees Credit Union • 218-336-1800 • [www.mpecu.com](http://www.mpecu.com)**

## **International Credit Union Day**

**Luncheon on Thursday, October 18th!**

Help us celebrate with credit unions around the world on International Credit Union Day!

We'll be having a membership appreciation luncheon pasta bar on Thursday, October 18th from 11-2 in the Minnesota Power Building (30 W. Superior Street, Duluth) in Room 140. Enjoy lunch and register to win prizes!

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### Seeking Nominations!

MPECU is seeking candidates for the Supervisory Committee. The Supervisory Committee is responsible for ensuring that the Board of Directors and the management of the credit union 1) meet required financial reporting objectives and 2) establish practices and procedures sufficient to safeguard members' assets. The Committee reports to the Members, as well as the Board of Directors.

Please fill out the application here. When completed, drop off the application at any MPECU office or email it to Bob Bastianelli We must receive your application by December 10, 2018 in order to be considered.

### Debit Card Text Alerts: COMING SOON!

**How it works:** When our vendor spots suspicious activity on your account, you'll receive a text message within seconds. You can confirm or deny the transactions with a YES or NO via a text message.

Don't have a way to send or receive texts? You'll receive a automated voice call which you can answer YES or NO to verbally.

**What you need to do:** Make sure we have updated phone numbers on your account to keep your account safer! You will not be charged by MPECU for this service nor will you be charged for the text to your mobile number.

**Looking for more ways to keep your account safe?** Download BOLT\$--a free app you can use to set personal alerts for your debit card activity as well as turn it off or turn it on, should you misplace your card.

Download SHAZAM BOLT\$ today on the Apple® App Store® or Google Play™ and follow the instructions.

